CONTENTS

Executive Summary	Page 1
Introduction	Page 2
Background	Page 3
Accomplishments	Page 5
Producing Better Rules	Page 6
Survey Shows Public Pleased	Page 9
"Beyond Rules"	Page 10
Regulatory Improvement Contacts	Page 13
Summary of Actions on Rules and Policies	Page 14
Rule Review Status Report Table	Page 15

EXECUTIVE SUMMARY

The Department of Labor and Industries (L&I) is more than a year ahead of schedule in its four-year plan to review all major regulations and policies. This effort is in response to the Regulatory Improvement Executive Order (EO 97-02) issued in March 1997, by Governor Gary Locke. Agencies report progress on regulatory improvement on a yearly basis.

Since March 1997, the agency has reviewed 2,101 sections of rules and has eliminated an estimated 235 pages of regulations. This includes repeal of 723 sections, amendment of 828 sections and retention of 103 sections. Some 756 sections were rewritten using clear writing techniques. In addition, 106 policies have been reviewed. Some 39 policies were eliminated, 16 were amended, 50 new policies were instituted and 1 was retained. 13 policies that were eliminated were incorporated into rules.

Some important results of the review process during 1998 were:

- Rewriting rules to provide more flexibility such as new scaffolding rules which give employers alternative ways to use scaffolding while also protecting workers.
- Revising rules to make them easier to use such as an effort that simplified the steps necessary for a new business to open an industrial insurance account.
- Repealing some obsolete or duplicative rules such as old special rules for handling theatrical worker wages and rules regarding mining operations.

The agency contacted 36 representatives of business and labor organizations and asked them to provide feedback on how the agency is doing on specific rules. 91 percent said that overall the agency is making progress in its regulatory improvement efforts. Nearly 80 percent were satisfied with their group's involvement in reviewing and revising rules.

The agency also was active in making regulations work better through improved service. For example:

- The agency greatly reduced the backlog of contractor registration through a number of small improvements suggested by staff.
- Prevailing wage rates were put on L&I's Internet home page. Contractors and others can now quickly obtain information necessary to bid on public works construction projects. They otherwise had to telephone the agency for the latest wage requirements.
- The agency is now giving stakeholders and the public the opportunity to comment on rule changes in a variety of ways, including e-mail messages and use of the Internet home page site.
- Tacoma area businesses that are audited regarding industrial insurance premium payments now receive two short documents that help provide more information about the audit. A survey of customers showed improved satisfaction with written audit materials.
- The Factory Assembled Structure program streamlined its application packet to make it easier to complete and understand. The application and supporting documents was cut from 76 pages to 46 pages. Thirty percent fewer errors were reported in applications.

INTRODUCTION

This report describes the actions taken by the Washington State Department of Labor and Industries between October 15, 1997, and September 30, 1998, to improve agency rules and regulations. It also describes other ways the department is making it easier and faster for employers and workers to comply with worker safety, workers' compensation and consumer protection and safety laws.

Governor Locke's Executive Order

Labor and Industries' efforts to improve regulations are guided by Governor Gary Locke's Executive Order on Regulatory Improvement (EO 97-02).

Standards For All Regulations.

The executive order requires all agencies to review their regulations to ensure the regulations meet standards of:

- Need
- Effectiveness and efficiency
- Clarity
- Consistency with legislative intent and statutory authority
- Coordination
- Cost
- Fairness

Second Year of a Four-Year Plan.

Labor and Industries has completed the first year of a four-year rule review plan, as required by the executive order. The plan sets a timetable for review of all major rules (as identified by the agency's customers) and then action to either repeal those that are no longer needed or rewrite those that are not clear. The plan also includes review of major agency policies and standards with an aim to make them easier to find, use and understand. Agency staff met with customers to develop the plan and the agency continues to work closely with customers and stakeholders on actions regarding existing or new rules and policies.

The executive order calls for progress reports on October 15 of each year through the year 2000. (This is Labor and Industries' second yearly report.) Each progress report is to include: number of rule sections amended or repealed and number of pages eliminated from the Washington Administrative Code; summary of rules amended or repealed and agency action in response to petitions; results of agency's review of policy and interpretive statements; results of agency's review of reporting requirements imposed on business; and recommendations for statutory or administrative changes.

BACKGROUND

The Washington State Department of Labor and Industries' mission is:

"To promote a safe and healthful environment in which to work and live. In partnership with our customers, we strive to prevent injury, occupational illness and disability, and to limit economic hardship."

L&I Provides Diverse Services

The agency delivers a diverse array of services to its customers – Washington's 5.5 million citizens, 164,000 employers and 2.8 million workers. Responsibilities include:

- Providing workers with insurance benefits for on-the-job accidents and occupational diseases.
- Providing financial and medical support to eligible victims of violent crime.
- Assisting employers and employees in understanding and complying with workerprotection laws.
- Enforcing state laws regarding workplace safety and health.
- Enforcing state laws governing child labor, family leave, wage-and-hour requirements, construction compliance, prevailing wage on public work projects and other labor requirements.
- Registering contractors and licensing electrical contractors, certifying electrical administrators, journeymen and trainees and plumber journeymen and trainees.
- Coordinating the state's **apprenticeship job training** program.
- Conducting electrical, elevator, boiler, manufactured homes and factory-assembled structures inspections.

The agency has 2,600 employees located in six field service regions with 22 service locations and a central office in Tumwater. It is divided into five major divisions:

- **WISHA Services**, which handles worker safety and health matters.
- ▶ Specialty Compliance Services, which enforces state laws governing child labor, family leave, wage-and-hour requirements and other labor requirements and registers contractors and conducts electrical, elevator, boiler, factory assembled structures and other inspections.
- Insurance Services, which provides workers' compensation benefits and assistance to crime victims.
- Administrative Services, which provides management services to the agency and program support to WISHA Services and Insurance Services.
- Information Services, which provides computer, telecommunications and technological support to each program.

L&I's structure also includes operations regarding **Communications**, **Quality**, **and Human Resources**.

Rule Improvement Is A Top Priority

Labor and Industries makes regulatory improvement one of its top four priorities. The agency's regulatory improvement goals are to revise and develop rules that:

- Focus on priorities of concern to customers.
- Are developed in partnership with both business and labor.
- Are written in plain language and easy to understand.

When Governor Locke issued the regulatory improvement executive order, L&I developed a four-year plan for reviewing its regulations. In all, 1,286 individuals and organizations were asked to identify rules, policies and procedures that should be reviewed. The plan calls for the agency to look at 2,282 rule sections and policies over the period ending in the year 2000. Dates are set for when each rule and policy will be reviewed and either amended, repealed or retained.

Extensive public involvement is a part of implementing the plan.

The agency also has developed three and five year goals around regulatory improvement. Our rule review efforts will expand from reviewing portions or sections of chapters to reviewing entire chapters. We will evaluate all new and revised rules to determine whether they achieve the purpose for which they were adopted. And our WISHA division plans to publish the safety and health standards in a redesigned format which will include a user's guide, table of contents, core rules, general rules, industry rules, index and compliance guide for small businesses.

Petitions Regarding Rules

The agency received and completed review of seven petitions filed regarding rules over the past year. Five of the petitions concerned environmental tobacco smoke (ETS) and WISHA rules and the other two concerned industrial insurance issues. All seven petitions were denied and the five concerning ETS were consolidated and then appealed to the Governor.

ACCOMPLISHMENTS

The Department of Labor and Industries has made considerable progress in improving its regulatory program since Governor Gary Locke issued Executive Order 97-02 in March 1997. The agency has reviewed 2,101 sections of rules and has eliminated an estimated 235 pages of regulations. This includes repeal of 723 sections, amendment of 828 sections and retention of 103 sections. Some 756 sections were rewritten using clear writing techniques. In addition, 106 policies have been reviewed. Some 39 policies were eliminated, 16 were amended, 50 new policies were instituted and 1 was retained. 13 policies that were eliminated were incorporated into rules. (A complete listing of rules and policies reviewed begins on page 15.)

From October 15, 1997, to September 30, 1998, Labor and Industries has reviewed 1,221 sections, repealing 209 of them and amending 690 of them. Some 52 pages of regulations were eliminated. 545 sections were rewritten using clear writing techniques and 101 sections were retained.

One Year Ahead of Schedule

In 1997, the agency developed a four-year plan for reviewing all its major regulations and policies. In all, 1,286 individuals and organizations were asked to identify rules, policies and procedures that should be reviewed.

The plan calls for the agency to look at 2,282 rule sections over the four-year period ending in 2001. Dates are set for when each rule or policy will be reviewed and either amended, repealed or retained. Extensive public involvement is part of implementing the plan.

Labor and Industries is more than a year ahead of schedule in implementing its plan. The plan called for the agency to have reviewed 1,406 sections of regulations by October 1, 1998. The agency has reviewed 2,101 sections. We had expected to reach 1,935 sections reviewed by the end of 1999. L&I is ahead of schedule because staff have enthusiastically tackled the rule review processes. A number of rule revisions have been accomplished faster than expected because the agency increased the number of ways that stakeholders could comment. Rather than always forming an advisory group to assist in rule review, the agency also has been gathering comments via the Internet and through the mail on selected rules.

In addition to reviewing, revising and repealing rules and policies, L&I staff have been working to make complying with regulations easier, more efficient and more economical. Here are some highlights of the agency's regulatory improvement activities.

PRODUCING BETTER RULES

This section provides examples of rules that went through the review process and were rewritten or repealed.

• Machine Guarding Rules More Flexible – These rules were rewritten using clear writing techniques to produce regulations that are clearly understood and easy to follow. The adopted rule does not diminish worker protection and offers the employer more flexibility in determining how to comply with the requirements. This new rule updated regulations that were technologically out of date. The new rule requires employers to protect workers from hazards, instead of requiring specific methods of guarding specific machinery. Below is an example of one section before and after being rewritten.

New	Old
WAC 296-24-20517 What are the additional requirements for shafting?	WAC 296-24-20507 Shafting.
(1) An employer must secure shafting against excessive endwise movement.	 (1) Installation. (a) Each continuous line of shafting shall be secured in position against excessive endwise movement. (b) Inclines and vertical shafts, particularly inclined idler shafts, shall be securely held in position against endwise thrust.

• Grain Handling Rules Provide More Protection and Are More Understandable – New rules were adopted which specifically prohibits the practice of "walking down grain" regardless of other protection provided against engulfment. The new rules also clarify that atmospheric precautions are also applicable to flat grain storage structures. Both were part of new federal standards developed as a result of an engulfment death in a flat grain storage structure. The entire chapter was rewritten using clear writing techniques. An example of one section of the rewritten rule follows.

N	lew	Old
WAC 296-99-075 How emergency escape must		WAC 296-99-075 Emergency escape.
The employer must provi of emergency escape me	de the following number ans:	(1) The employer shall provide at least two means of emergency escape from galleries (bin decks).
Structure	Number of escape means	(2) The employer shall provide at least one means of
Galleries (bin decks)	Two	emergency escape in tunnels of existing grain elevators. Tunnels in grain elevators constructed after the effective date of this standard shall be provided
Tunnels of grain elevators	S	with at least two means of emergency escape.
constructed after		
November 14, 1988	Two	
Tunnels of grain elevators constructed on or before	S	
November 14, 1988	One	

- New Scaffolding Rules Allow Flexibility New rules have been adopted which allow employers more flexibility in use of scaffolds while still ensuring protection of workers. The new rules include new federal standards as well as state sections on manually and self-propelled elevating work platforms and boom-supported work platforms. The rules were developed in consultation with a labor-management advisory committee.
- New Industrial Insurance Rules Makes Opening An Account Easier The Industrial Insurance rules for opening an account, assigning rates, and paying premiums were rewritten into a more user-friendly format that uses less jargon and technical terminology. The new format walks an employer through the process and clearly explains what the employer must do. This makes it easier for the employer as well as reducing the amount of contacts customers must make with L&I and could result in fewer employers appealing decisions.
- Third Party Rules Rewritten for Clarity The agency's "third party" rules have been rewritten to better explain the relationship that existed between an injured worker and former employer or liable party. The new rule more easily explains how third party rules are handled and determining who is eligible and/or liable.
- New Temporary Worker Housing Rules Being Developed The agency's Factory Assembled Structures and Electrical sections are working with the Department of Health in adopting temporary worker housing standards. The new clear rules regarding plumbing, electrical and insulation requirements are intended to provide an incentive for growers to build more housing. The agency also amended rules regarding commercial coaches, factory-built housing and manufactured homes to clarify rule requirements. Information from five policies was incorporated into the rule and the policies were repealed.
- Electrical Rules Switched to Provide More Clarity The agency's rules regarding electrical installations and electricians were changed in a number of ways during the year. For instance, clear rule writing was used to rewrite the entire chapter for journeyman electrician certification.
- Clearing Out Duplications and Obsolete Industrial Insurance Rules Several industrial insurance rules were repealed because they were no longer needed. The rule on the "labor management cooperative program" was repealed because the program has not been funded by the Legislature for the past three years. A rule on distribution of third party recoveries was repealed because it is covered elsewhere.
- Plumbers' Certification Rules Cleaned Up These rules were rewritten using clear writing techniques. They are intended to make the agency's plumber requirements easily understandable and thus easier to comply with. The new rules include a schedule of penalties. When a compliance inspector issues a penalty, the new rules ensure that the penalty is consistent, accurate and fair.

- **Boiler Rule Review Continues** The agency inspects and certifies the safety of boilers. L&I staff and the boiler advisory board are in the second year of a multi-year effort to review and rewrite using clear rule writing techniques all boiler regulations. Three sections were repealed this year.
- Appeal Bond Requirement Dropped After Rule Review Clear rule writing
 techniques were used to rewrite the entire rule chapter on registration of contractors.
 Three sections duplicated elsewhere were repealed. Also repealed was a rule that
 required an appeals bond after it was determined that the department did not have
 statutory authority to require the bond. The new rules give contractors a much better
 description of what is required of them for registration.
- Obsolete Theatrical Wage Rules Repealed Special wage rules for theatrical productions were repealed. When adopted in the early 1980s, these rules were necessary. Since that time, the problems that fostered the rules have disappeared. The department has never had occasion to enforce them. The rules were an added burden to theater producers and the repeal removed an unnecessary requirement.
- High Voltage Electrical Safety Standard in Line with Federal Standard This rule was re-written to bring it in alignment with the OSHA federal standard. It now is easier for interstate businesses to assess the difference between the state and federal standards and for OSHA to evaluate the effectiveness of the state standard. A reference also was added to NESC ANSI C.2. Adding this reference eliminates the need for chapter 296-44 WAC that merely restates the National Electrical Safety Code (NESC) and the need to update the standard each time the NESC is updated. Chapter 296-44 WAC was repealed in December 1997.
- Duplicative Mining Rule Repealed A WAC chapter related to mining operations was repealed in its entirety. During the review process, it was determined the entire rule was duplicative of rules for mining operations which is under the jurisdiction of the Federal Mining Safety and Health Act (MSHA). OSHA, MSHA, business and labor leaders were consulted and all supported the repeal.

SURVEY SHOWS PUBLIC PLEASED

Labor and Industries staff contacted 36 people who represent organizations involved in agency regulatory improvement during the past year. Those contacted included business and labor leaders and other stakeholders. They were asked to provide feedback on how the agency is doing on specific rules.

- 91 percent said that overall the agency is making progress in its regulatory improvement efforts.
- Nearly 80 percent were satisfied with their group's involvement in reviewing and rewriting rules.
- Most said the rewritten rule was easier to understand.
- ▶ All those who answered said the rewritten rule clarifies what is to be expected.
- ▶ Nearly all said they find the rewritten **rule easier to comply with** than the old rule.
- 93 percent said the rule is fair to both employers and workers.

Here are some typical comments from the survey:

"I appreciate that customers were involved."

"The program worked very hard on review and rewriting."

"(Now) written so a 3rd grader can understand."

"The rule now takes them in the right direction but is not yet complete."

"Takes too long for things to happen."

"Keep up the good work. Nice change in the last 2 years. Welcome change in management style and spirit of cooperation."

"BEYOND RULES"

This section provides examples of regulatory improvement efforts that go beyond reviewing and rewriting rules. These are examples of how we are making it easier for customers to do business with the agency.

- "Mom and Pop" Vendors Get Good Service L&I's Factory Assembled Structures Program is required to review plans and inspect any mobile homes or trailers that have been modified for commercial uses. Many of these vendor units are actually "mom and pop" operations that offer food services at state and county fairs around the country, including here in Washington. Vendors were overwhelmed by the packet of government regulations and weren't sure where to start. L&I's plan examiners worked to simplify the application wording and insignia request. The application packet which also includes supporting documents, instructions, sample forms, and WAC rules was cut from 76 pages to 46 pages. This measure saves paper and postage for mailing the packets. The "mom and pop" customers reported the entire application process is much simpler. Thirty percent fewer errors were reported in applications.
- Web Site, Fact Sheet Improve Communications Labor and Industries' electrical program has about 32,000 stakeholders including electricians and trainees and electrical contracting firms. These customers have an on-going need to know what's going on with electrical code updates and clarifications, legislative changes, licensing, permits and fee issues and other information. Interpretations of codes and communications within the program and among customers have been inconsistent. To help correct this situation, the program initiated a monthly one-page fact sheet with multiple electrical code questions and answers. The fact sheet is made widely available to stakeholders and within L&I. The section also established its own Internet web site that contains the fact sheets, licensing and certification information, laws and notice of public hearings. The site is now getting about 400 visitors a month and its use is expected to grow.
- Revised Forms Help Businesses Understand Audits The agency's Tacoma audit team added two short summary documents to information provided to businesses audited regarding industrial insurance premiums. One reference card states "just the facts" telling what the company owes as a result of the audit, the other is a clearly written explanation of the audit results. A survey of customers showed improved satisfaction with written audit materials.
- Contractor Registration Backlog Reduced The agency's Contractor Registration Program had a 27-day backlog of registration renewals. A team eliminated excessive sorting, arranged for quick input into the computer system and centralized incoming renewals. The result was a reduction of the backlog to 14 days. Efforts will continue to further reduce the backlog. The contractor registration application also was streamlined to make it more user-friendly.

- New System Keeps Elevator Permits on Track The agency's Elevator Section determined that the owners of many new elevator systems were operating the vehicles without a permit as required by law. A study of 1997 records showed that 134 new elevator owners were without a permit and had to be sent reminders by certified mail an average of 11 a month. The apparent reason was that many were unaware, or it was unclear to them, that they needed to send in their payment to the department for the permit within 30 days following the final inspection. To help solve this problem, the section developed a computer-based tracking system to determine the annual due dates on new elevator systems. Within two months of implementing this change, the amount of certified letters sent dropped from 11 per month to 4 per month.
- Special Emphasis Directed at Nursing Homes The agency just started working with representatives from the nursing home industry directed at reducing back and shoulder injuries, which are the most prevalent types of injuries in that industry. These injuries are generally caused by lifting and moving patients and can be avoided. Our goal is to reduce back and shoulder injuries in nursing home workers by 5% by July 1, 1999.
- Improved Schedule for Tacoma Area Electrical Inspections L&I staff surveyed electrical contractors and found that they wanted faster inspections, a predictable schedule for inspections and inspector courtesy. The staff responded by faxing inspection results directly to contractors the next morning. Inspection territories were redesigned so that each half of the Tacoma inspection areas receives all the inspectors every other day. This enables inspectors to even out workload more easily and those being inspected to predictably expect service. Courtesy is emphasized in inspector training.
- Commenting on Rules Over The Internet L&I's industrial safety and health division (WISHA) has inaugurated multiple ways for people interested in rules to provide comments. These include sending in a form, sending a letter and sending an email with comments. Stakeholders also are able to use the Internet by going to the agency's home page.
- Contractor Data Base Available On Internet The on-line contractor registration project has created a contractor database available over the Internet for all consumers, contractors, bonding companies, insurance companies, attorneys, etc. The information is accurate within one day of data entry. Customers may access the Internet to verify contractor licensing and bonding requirements. The electrical section also uses the department's home page to provide the public with information affecting electrical contractors, electrical administrators, certified electricians and other electrical section customers. Electrical section customers will soon be able to request inspections over the Internet.
- Prevailing Wage Rates Now on Internet Beginning in October, prevailing construction wages are available at L&I's home page on the Internet. This means that contractors and others can very quickly obtain information necessary to bid on public works construction projects. This information used to require the contractors to telephone the agency to get the latest wage requirements.

- Apprenticeship Information Also on Internet The apprenticeship program has started using the Internet to publish annual reports and the primary apprenticeship booklet. They also are posting a list of all apprenticeship coordinators statewide with addresses and phone numbers. They publish notices of all council meetings and training fairs as well.
- Hops Industry Given Special Attention Compliance and consultation staff in the Yakima area put on a presentation for representatives of the hops industry. They informed attendees of the things that are required of them by the agency and the assistance that is available. They also conducted a walk-through of a hop picker to identify hazards with hop picking machines and discussed solutions for eliminating the hazards.
- **Bi-lingual Education Offered** Eastern Washington staff are providing assistance to Spanish speaking customers. Staff from safety and health, employment standards, electrical, revenue and factory assembled structures programs participate in a monthly call-in radio show broadcast in Spanish where they answer questions about the agency. Yakima staff also meet with new medical providers to explain their role in our "claims" process.
- Voluntary Audits Conducted Region 1 Field audit staff conducted 28 voluntary audits based on an employer's request. While the majority resulted in a credit due, several employers knew they would probably owe premiums, but were grateful they would not have to pay penalties. The reason for most of the debit findings was employers not understanding the industrial insurance laws. Employers were educated during the audit and were confident they would be reporting correctly in the future.
- L&I Teams Up With Educational Institutions The agency participated in a small business fair at Renton Voc. Tech that drew over 900 participants. L&I staffed a booth and also teamed up with Employment Security on a presentation about independent contractors. This fair is unique because booths are staffed by various government agencies as well as non-profit agencies and is geared directly towards small businesses. L&I also delivered classes at Peninsula College in Port Angeles. We shifted our educational efforts from providing specific topics to providing basic information about our technical assistance services. Seven classes were offered and all had attendance better than the workshops the agency offers. We plan of offering another series of classes this winter.
- Field Auditors Improve Pre-Audit Materials Auditors in the Spokane area revised the audit setup letter and the pre-audit questionnaire that employers receive prior to an audit. They then tested the new forms by conducting abbreviated audits on firms within a small segment of the construction industry. The results were that employers were much better prepared when an auditor arrived, saving both the agency and employer time and effort. Focused efforts on a common group generated positive comments from employers that the playing field would now be level as all employers would be reporting correctly. Employers also stated that they now have a better understanding of reporting requirements.

REGULATORY IMPROVEMENT CONTACTS

Most Labor and Industries employees are involved in regulatory improvement activities in some capacity, either in the review of rules or in implementing reform measures. This is a list of persons who have major responsibilities for regulatory improvement efforts at Labor and Industries.

Chief Agency Coordinator: Mary Pat Frederick, deputy director, (360) 902-4205.

Agency Contact: Dave Pratt, special assistant to the director, (360) 902-6697.

Public Information: Jerry Gilliland, public information officer, (360) 902-5411.

Rules Coordination: Selwyn S. C. Walters, rules coordinator, (360) 902-4206.

Economic Analysis: Mike Ratko, economic analyst, (360) 902-6805

Insurance Services: Ken Woehl, (360) 902-4775.

WISHA Services: Gail Hughes, (360) 902-5439.

Specialty Compliance Services: Peter Schmidt, (360) 902-5571

SUMMARY OF ACTIONS ON RULES & POLICIES

The tables on the following pages provide details regarding the actions taken on L&I rules and policies. A summary on this page describes agency-wide accomplishments since March 1997.

Rules

Total WAC sections reviewed	,101
Total WAC sections repealed	723
Total WAC sections amended	828
Total WAC sections added	447
Total WAC sections rewritten using clear writing techniques	756
Total WAC pages eliminated (estimated)	235
Policies	
Total policies reviewed	106
Total policies repealed	39
Total policies amended	16
Total policies added	50
Total policies retained	1
Total policies incorporated into rule	13